

Section 1: Introduction

Purpose of the TF2

Public Act 221 of 2007 created the Transportation Funding Task Force (Task Force) to study the effectiveness of Public Act 51 of 1951, also known as Act 51. Act 51 stipulates the distribution of state transportation revenue to the various agencies that have responsibility for roads and bridges, and sets aside a portion of that revenue for transit. P.A. 221 requires the Task Force to examine alternatives to the fuel tax, analyze their feasibility, and suggest or recommend transportation revenue options, including revisions to the Act 51 formula, if necessary.

The Task Force is comprised of 13 members. Nine members represent a broad spectrum of interests including manufacturing, labor, transportation, agriculture, aviation, commerce, public transit, tourism and the general public. Four members of the Legislature also serve on the Task Force, representing each house and each political party. Task Force members diligently made room in their busy schedules to attend meetings, and gave careful, thoughtful, and thorough consideration to the issues discussed.

The overarching purpose of the Task Force, as defined by P.A. 221, is to “review the adequacy of surface transportation and aeronautics service provision and finance” in Michigan. Strategies for maximizing return on transportation investment were considered and alternative strategies were evaluated on their potential of to replace or supplement current transportation taxes and fees. A major and consistent focus of the group has been the need to support economic activity and personal mobility.

The bill also created a Citizens Advisory Committee (CAC) to assist the Task Force in this effort. The CAC consists of 19 individuals appointed by Governor Granholm and includes transportation experts for nearly all travel modes, as well as representatives from local government and major economic sectors. The CAC and its technical subcommittees contributed significantly to the work of the Task Force by analyzing transportation needs, as well as recommending efficiencies that could be implemented to help address those needs.

The CAC subcommittee reports submitted to the Task Force are available by clicking “View Final Report” at www.michigan.gov/tf2.

TF2 Work Program

The Task Force has met at least once a month since March 2008, according to the work program developed by the Michigan Department of Transportation (MDOT). Meetings have been held in cities across the state and have covered the following material:

- March 7, Lansing – Introductory meeting
- April 21, Grand Rapids – State and Federal transportation funding
- May 19, Livonia – Trends impacting transportation
- June 30, Lansing – Presentations on aviation, freight logistics, local funding options
- July 21, Traverse City – Transportation needs presented by the CAC
- August 11, Frankenmuth – Working session on transportation needs
- September 8, Lansing – Aviation, local options, and public-private partnerships
- September 29, Marquette – State funding alternatives
- October 13, Roscommon – Preliminary recommendations for efficiencies
- October 27, Lansing – Finalize Preliminary Report

Opportunities for public comment were provided several times at every meeting, and many members of the public took advantage of those opportunities to share their views. Presentations were also made by a wide variety of stakeholders, transportation providers, and MDOT staff. The presentations were designed to inform the members of the Task Force of the intricacies of transportation funding, and the importance of the transportation network to the economy and Michigan's quality of life.

A Web site was established for those who wished to stay abreast of the Task Force's actions and to offer comments electronically. A complete list of those who provided public comment or information to the Task Force is accessible by clicking "View Final Report" at www.michigan.gov/tf2.

Revenue Alternatives

The Task Force took on their appointed task of identifying revenue alternatives that could help achieve the "good" level of investment, assuming this could be accomplished through a phased approach. Over the course of several meetings, the group considered and prioritized an ambitious series of revenue alternatives for all modes of transportation.

This preliminary report describes the funding alternatives identified by the Task Force, as well as the transportation needs they will address. In keeping with the requirements of P.A. 221, it also provides current and historical funding information, a description of the infrastructure and service provided, along with the current and historical use of the various transportation modes.